

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:5215
ANSWERED ON:28.08.2001
SUBSIDY PAID ON PHOSPHATIC FERTILIZERS
JAGMEET SINGH BRAR

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the amount of subsidy on fertilizers paid to phosphatic fertilizer producers during the last three years;
- (b) whether any complaints have been received against phosphatic fertilizer producers for the poor quality of product and bogus claims for subsidy;
- (c) if so, the details thereof and the action taken against the defaulters; and
- (d) the procedure adopted to verify the claims for the subsidy?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI S. B. MOOKHERJEE)

(a) The year-wise amount of subsidy disbursed under the Concession Scheme for de-controlled phosphatic and potassic fertilisers during the last three years is as under:-

Year	Amount of Subsidy in Rs. Crore
1998-99	3789.94
1999-2000	4500
2000-01	4319

(b) & (c): The Government over the years has been taking action based on individual complaints and newspaper reports which generally relate to fraudulent claims of subsidy/concession and other malpractices under the Concession Scheme for de-controlled fertilisers as also regarding poor quality of fertilisers, mainly Single Super Phosphate (SSP). The concerned State Governments are then requested to investigate into the allegations for taking appropriate action. Pending receipt of inquiry report/ recommendations, further release of concession to the concerned unit is withheld by the Central Government. Thereafter, based on the report of the State Government, recovery, if any, of the concession amount claimed earlier by the unit and found ineligible under the Scheme, is effected by the Central Government. At present, investigations against some SSP units of Punjab and all the SSP units of Uttar Pradesh are underway. The State Government of Bihar has also been requested to look into the allegations relating to issue of certification of sales by the State authorities. The settlement of claims under the Scheme in these cases has been withheld pending completion of required investigation.

(d) Under the Concession Scheme, the processing of concession claims is done in accordance with the procedure laid down thereunder which inter- alia includes final settlement of concession claims after sales verification is done by the concerned State Government for issuance by certification of fertilizer sales for agriculture purpose/use in terms of quantity and quality in the prescribed proforma forming the basis for final settlement of the claim.